

LEGISLATIVE COUNCIL BRIEF

SUPPORT FOR BID TO HOST THE ASIAN GAMES

INTRODUCTION

At the meeting of the Executive Council on 15 June 2010, the Council ADVISED and the Chief Executive ORDERED that -

- (a) the Government should issue a letter of support for the Sports Federation & Olympic Committee of Hong Kong, China (SF&OC) to submit a “letter of intent” to bid to host the 2023 Asian Games to the Olympic Council of Asia (OCA); and
- (b) the Government should form a Provisional Bid Committee and a Bid Team to take forward the detailed planning of a potential bid to host the Asian Games.

JUSTIFICATIONS

Rationale for supporting a “letter of intent” to bid for the Asian Games

2. The successful hosting of a large-scale international sports event such as the Asian Games can carry significant benefits for Hong Kong. These include: encouraging high levels of sports performance; raising the morale of the community; and promoting wider public interest and participation in sport. However, given the scale of such an event, organising the games and constructing new venues and facilities to the necessary standards would likely put considerable pressure on public finances. There is also a need to ensure that the new venues and facilities would be viable for local use in the long run.

3. In order to be eligible to submit a formal bid to host the Asian Games in 2019 or 2023, National Olympic Committees (NOCs) must first

submit a “letter of intent” to the OCA. The OCA has set a deadline of 30 June 2010 for the submission of such a letter, which must be accompanied by a letter of support from the government concerned.

4. In view of the limited time available, we consider that it would not be possible to conduct a comprehensive cost and benefit assessment for hosting the Asian Games and a full-scale public consultation exercise before 30 June 2010. However, we note that on 6 January 2010, the Legislative Council (LegCo) passed a motion on sports development that in part urged the Government to consider supporting a bid to host the Asian Games. The SF&OC membership and the Sports Commission have also expressed support for a potential bid earlier on.

5. In order to allow us time to consider whether it is in Hong Kong’s interests to make a formal bid, and to prepare for such a bid, it is decided that Secretary for Home Affairs (SHA) should issue a letter in support of a “letter of intent” from the SF&OC to bid to host the Asian Games. It would be made clear in the letter that the decision on whether or not to submit a formal bid would be subject to the outcome of a public consultation, and acceptance of the likely financial implications involved by the Finance Committee (FC) of the LegCo. A similar letter was issued by the then Secretary for Home Affairs when we supported the SF&OC to submit a “letter of intent” to bid to host the Asian Games in 2006.

Timing

6. SHA would indicate in his letter to SF&OC the Government’s support for issuing a “letter of intent” to bid to host the Asian Games in 2023. We consider that there are clear advantages in hosting the Asian Games in 2023 rather than in 2019, namely -

- (a) this would give us a longer period of time to develop good quality venues that would meet the needs of sports development in Hong Kong and that would also be suitable for hosting Asian Games events;
- (b) the building programme for the Asian Games would not overlap with the major infrastructural projects as many of them are expected to be substantially completed before 2023. It would also allow us to

showcase a suite of new infrastructure projects to the rest of world;
and

- (c) the development of athletes from junior to internationally competitive level is typically a 10-year undertaking. The redevelopment of the Hong Kong Sports Institute into a world class elite sports training centre is due to be completed in 2013. By hosting the Asian Games in 2023 we could set a clear goal for the training of athletes to a level whereby we could expect to achieve good results at the games.

Next steps in the bidding process

7. The OCA has set a deadline of the end of 2010 for the submission of a formal bid for the right to host the 2019 or 2023 Asian Games. Upon receipt of the “letter of intent”, the OCA will issue the “bid documents” that will outline the requirements that a host city is expected to meet and the format of the bid itself.

8. In the course of the bidding exercise for the 2006 games, we formed a Bid Committee and a full-time Bid Team within the Home Affairs Bureau(HAB) to take forward the detailed planning of the bid and the preparation of the necessary documentation. Details of the composition of the committee and the team are at **Annex A**.

9. In preparing for a potential bid to host the Asian Games, there are a number of key steps that will require careful and thorough planning and execution within a limited time-frame, including –

- (a) a review of the OCA requirements as set out in the “bid documents” in respect of issues such as venue availability, accommodation for athletes and officials, security and transportation needs and IT and media support, and a detailed assessment of how we can meet these requirements;
- (b) the preparation of estimates of the likely operational cost of running the games, the capital costs to be incurred in providing suitable sports facilities and the cost of accommodating delegations in a purpose-built athletes’ village;

- (c) an assessment of the potential economic costs and benefits of hosting the Asian Games;
- (d) a public consultation exercise on whether or not Hong Kong should host the Asian Games. The consultation document would need to emphasise how hosting the Asian Games could contribute to our long-term objectives for promoting sport, in particular in terms of providing more and better public facilities and complementing other sports development initiatives at elite and community levels;
- (e) the preparation of submissions to the Executive Council, to the relevant LegCo Panel and to FC on issues related to the bidding for and hosting of the Asian Games; and
- (f) in the event that we proceed with a bid, the preparation of the bid documents themselves, in consultation with the SF&OC.

10. Should we decide to submit a formal bid to host the Asian Games, we shall also need to implement a concerted lobbying and public relations campaign targeted at the other OCA member countries in the first half of 2011 in the run-up to the OCA meeting in July 2011 when the OCA will allocate the hosting rights.

11. The tasks outlined above are time-critical and intensive. We will need a full-time team if we are to implement these tasks effectively. As with the previous bidding exercise, we will set up a Provisional Bid Committee with representation from the sports sector, business and community organisations and relevant government agencies. We will also set up a full-time Bid Team in HAB, consisting mainly of officials drawn from government departments whose input would be essential to the completion of a bid, e.g., the Leisure and Cultural Services, Planning, and Architectural Services Departments.

IMPLICATIONS OF THE PROPOSAL

12. The proposal has economic, financial, civil service, environmental, and sustainability implications as set out in **Annex B**. The proposal is in conformity with the Basic Law, including the provisions concerning human rights. It has no productivity implications.

PUBLIC CONSULTATION

13. LegCo has passed a motion that includes a request for the Government to: “actively consider bidding to host the 18th Asian Games in 2019” and the SF&OC and the Sports Commission have also discussed this issue. As the issue of a “letter of intent” does not commit Hong Kong to bidding for – let alone hosting - the Asian Games, we consider that the backing of LegCo and the sports sector gives sufficient grounds for us to support the issue of a “letter of intent”. Before deciding whether or not to support a formal bid to host the games, we would conduct a consultation exercise with a view to securing public agreement to the long-term financial obligations that this could entail.

PUBLICITY

14. The HAB will inform the SF&OC of the Government’s support for the issue of a “letter of intent”, and we will issue a press release in this regard. A spokesperson will be available to handle media and public enquiries. It should be emphasised that no final decision will be made on whether or not to support a formal bid to host the games until the public has been consulted.

BACKGROUND

15. The Asian Games is held every four years. The OCA has set a deadline of 30 June 2010 for issuing a “letter of intent” to bid to host the Asian Games in either 2019 or 2023. The OCA requires that any bid to host the games should be submitted by the NOC of the relevant state or territory. As the NOC for Hong Kong, China the SF&OC would be the bidding organisation for Hong Kong, and it has asked whether the Government would support a Hong Kong bid. The next Asian Games will be held in Guangzhou in November 2010 and will feature 42 different sports. About 11 000 athletes and officials, 1 000 VIPs and technical delegates and 7 000 media personnel are expected to attend the games.

ENQUIRIES

16. For enquiries about this brief, please contact Mr Benjamin Mok, Principal Assistant Secretary (Recreation and Sport) on 2594 5644.

Home Affairs Bureau

25 June 2010

**MEMBERS OF THE HONG KONG ASIAN GAMES BID COMMITTEE
AND BID TEAM
FOR THE 15TH ASIAN GAMES HONG KONG 2006**

Asian Games Bid Committee

Chair	Chief Secretary for Administration
Vice Chair	President, SF&OC
Members	Mr Charles Nicholas Brooke Mr John Chan Cho-chak Dr Robin Chan Yau-hing Mr Philip Chen Nan-lok Hon Raymond Ch'ien Kuo-fung Mrs Selina Chow Liang Shuk-ye Dr Chow Yei-ching Mr David Gordon Eldon Mr John Terence Hung Mr Lo Yuk-sui Mr A.F.M. Conway (Vice-President, SF&OC) Mrs Vivien Fung Lau Chiang-chu (Vice-President, SF&OC) Mr Hu Fa-kuang (Vice-President, SF&OC) Mr Victor C.F. Hui (Vice-President, SF&OC) Mr Karl C. Kwok (Vice-President, SF&OC) Dr Tong Yun-kai (Vice-President, SF&OC) Mr Wong Wah-sang (Vice-President, SF&OC) Mr Yue Yun-hing (Vice-President, SF&OC) Mr Pang Chung (Hon. Secretary General, SF&OC) Mr Ronnie Wong Man-chiu (Dep. Hon. Secretary General, SF&OC) Secretary for Home Affairs Secretary for the Treasury Secretary for Planning and Lands Information Coordinator

Secretary Head, Asian Games Bid Team

Co-opted members Director of Information Services
 Director of Leisure and Cultural Services
 Deputy Head, Asian Games Bid Team
 Deputy Secretary for Home Affairs

Asian Games Bid Team

Head Mr Tony Eason (as consultant)
Deputy Head Deputy Secretary for Home Affairs (Special Duties)
Assistant Head 1 Representative of Leisure and Cultural Services
 Department
Assistant Head 2 Representative of Architectural Services
 Department
Assistant Head 3 Representative of Planning Department
Assistant Head 4 Representative of Information Services
 Department
Editor Mr Mark Pinkstone (as consultant)
Publicity Senior Information Officer
Executive Officer Senior Executive Officer

IMPLICATIONS OF THE PROPOSAL

FINANCIAL AND CIVIL SERVICE IMPLICATIONS

The estimated cost of the proposed bidding exercise itself is about \$10 million which will be funded with a grant from the Arts and Sport Development Fund. To our understanding, the issue of a “letter of intent” by the SF&OC is not binding, i.e., there is no contractual obligation for Hong Kong to submit a formal bid in due course.

2. The hosting of the Games itself would require substantial financial and other resources. As part of the next steps (paragraph 9 above), estimates will be prepared, on which basis we will assess their impact on public finances. Separately, additional manpower required for bidding for and hosting the games would also be sought through the established mechanism.

ECONOMIC IMPLICATIONS

3. Hosting the Asian Games potentially would bring direct and indirect economic benefits by attracting business, tourist spending and employment. The event will draw world-class athletes and coaches to Hong Kong, who in turn will boost local interest in sport and attract overseas visitors to bolster our inbound-tourism industry. Indirectly, the event is likely to strengthen civic pride and enhance Hong Kong's image as a sports event capital in the region. In the time available to us, we are unable to quantify such benefits.

ENVIRONMENTAL IMPLICATIONS

4. The proposed bid for hosting the Asian Games would likely invite questions on what the Administration will do to improve air quality to meet the expectations of athletes and the international community for a world class sports event. There may also be calls for the Asian Games to be low-carbon or carbon neutral. Should the bid be successful, consideration will be given to arrangements needed to offset the additional greenhouse gas emissions

from hosting the Asian Games, and the related cost implications.

5. The Asian Games venues and their set up will be designed and operated to meet the best energy efficiency standards. The environmental impact of future sports events and venues for the Asian Games during construction will be suitably addressed in accordance with applicable environmental laws and standards.

SUSTAINABILITY IMPLICATIONS

6. From the sustainability point of view, the staging of a successful international sports event will improve social cohesion and boost civic pride. The provision of new and improved sports facilities for the event will enhance the vibrancy of Hong Kong sport, and also provide additional employment opportunities for construction workers and amenity management personnel. Hosting the Asian Games will help promote interest and participation in sport within the wider community, which will have a positive impact on the general health of the people of Hong Kong in the long run.